



Farmers Insurance 10th Annual Agents and Employees Day

Remarks by Gov. Jan Brewer
Thursday, February 25, 2010

Thank you for the invitation to be here.

Special thanks to David Travers, Executive Vice-President of Operations for Farmers Insurance, visiting from the Home Office in Los Angeles. David, you're welcome to move that Office to Arizona, any time. Just say the word.

And, thanks also to Frank Soldano, Vice-President and State Executive Director for Arizona. Frank lives and works here in Phoenix, so maybe, Frank, you can help with that Home Office move.

Throughout my entire 28-year career as a trusted public servant – A State Legislator; a State Senator; a Maricopa County Supervisor; your Secretary of State and now as your Governor I have been committed to the principles of less government and more freedom.

I have been a consistent truth-teller.

When I inherited this office over one year ago, our State was on the brink of fiscal collapse.

So, what went wrong?

Wrong, is the five high-rolling years before I took office when the system grew government as large as possible.

Wrong, is a state budget deficit of nearly five billion dollars across two fiscal years.

Wrong, is a federal government whose unfunded mandates and sweetheart deals steal Arizona's freedom and threaten to bankrupt our state.

Wrong, is arguing that "the system worked" -- when evidence to the contrary is everywhere and obvious.

OK, so what's RIGHT?

Right, is having the courage to tell the hard truth -- even when it exacts a political cost.

Right, is having a proven track record of acting on behalf of others.

Right, is self-sacrifice ... commitment to the greater good. And, we've made that commitment -- to the greater good -- and to YOU!

Arizona's best days are still to come if we make the right decisions. So, let me tell you what we've done so far.

We've made government more efficient, reducing spending by over one billion dollars.

We've streamlined agencies, shrinking the State work force by over ten percent.

We're now transferring back to the Federal Government all non-violent criminal aliens currently housed in the Arizona Department of Corrections.

We'll transfer custody of between 300 and 400 inmates this fiscal year and between 600 to 800 inmates in the next fiscal year.

My administration has attracted well over one billion dollars in capital -- and nearly two thousand jobs -- by working closely with the Arizona Department of Commerce.

Recently, I welcomed Sun Tech holdings to Arizona, where they will build their hundred thousand-square-foot North American headquarters as well as a manufacturing plant creating over one hundred and fifty high paying jobs.

There is more good news to come.

But, going forward, we must make further, substantial reductions in spending.

The economy has still not recovered, our revenues are still depressed and there is no avoiding this hardship.

More state jobs are going to be shed and services are going to be further curtailed, or lost.

Let me be clear, in the history of this state no other Governor has cut state government more than I have.

As I have stated for over a year, the depth of the problem is so severe that we cannot solve it through cuts alone.

The damage done to education, and public safety would be far too great.

So, in the short run -- we must raise some additional revenue.

Just as with the reductions in spending, the longer we put this off, the less effective it will be in stabilizing our financial position.

I fought for – and won, thanks to the help of courageous members of both parties in the State Senate and the State House – the right of the VOTERS to decide whether to raise the state sales tax by 1 percent over the next three years.

I'm a conservative. I'm a Ronald Reagan conservative.

I've NEVER voted to raise taxes in my entire career.

Not once in 28 years in public service.

But, during that time, I've learned one thing above all else: Doing the RIGHT thing almost always means doing the HARD thing.

I will be a "YES" vote come Election Day.

I'm voting "YES" because it's the right thing to do, and I strongly encourage you to vote "YES" as well.

If we are to preserve the core functions of the Arizona we all love, then Proposition 100 MUST pass.

Prop 100 will keep funding for Arizona's K-12 education system at reasonable levels, keeping students learning and class sizes manageable.

It will go to our universities and community colleges to keep higher education affordable.

It will go to keep felons locked up and it will go to give Arizona's poorest families the help they desperately need.

Without the revenue that a "YES" vote will bring, these programs **MUST BE CUT BY MORE THAN ONE BILLION DOLLARS IMMEDIATELY!**

That's why Prop 100 is the **RIGHT** thing to do.

This is a **TEMPORARY** tax – it will start on June 1st of this year, and come to a dead stop at the end of the day on May 31, 2013.

Though this isn't a cure-all, it will get us through until revenues recover, so that education does not bear the brunt of the downturn.

We have tax reforms and an aggressive pro-growth job creation program that are ramping up, but still we need Prop 100.

It's a hard request to make, but it's the right one, for our state and for our future.

So, please vote "YES" on Proposition 100.

I did not create this situation -- but I intend to resolve it -- and continue telling the people the truth about it. Making the best of the situation requires more than just political rhetoric.

It requires hard choices with tough consequences. In my budget proposal to the State Legislature I proposed a number of reductions and cutbacks on top of those already taken – among them:

Reducing health care enrollment in our Health Care Cost Containment system by 25 percent,

Eliminating the KidsCare program,

Closing the Department of Juvenile Corrections

And – reducing State employee pay by 5 percent.

Now, I know your industry has been no exception in these substantial reductions.

The Department of Insurance is down by more than 40 FTEs due to reductions over the past two fiscal years.

We know that means that all Department activities have slowed. Agents must wait longer for licensure, consumers face delays with assistance with complaints, approval of company policy forms lags.

We have had to close the Tucson office of the Department, so those of you from Southern Arizona must come to Phoenix if you have business that cannot be completed online.

We know the fraud unit has been especially hard hit by the reductions. The unit is down from 14 staff to 4.

We know this directly affects your business, because you receive the monies recovered. So, moving forward, I am not proposing further reductions to this critical area.

All of these measures are intended to protect our budget priorities of maintaining education funding at or near 2006 levels.

Over the long run, I support a responsible pro-growth tax reform package that includes tax cuts.

However -- we must ensure a revenue base that supports vital functions through this downturn.

If we do not act decisively, we will look to the East -- and our Federal Government -- and see our future -- government over-grown -- people over-taxed -- borders over-run -- employers over a barrel -- and freedom ... simply over.

Challenges arise to show us what we're made of as women and men. They're tests of our character. Tests of our values.

My father died when I was 11. My mother raised two children, opened up a business of her own and never quit.

My mother met every challenge that came her way ... I am my mother's daughter.

I will never quit. I will never give in.

I love this state and I care about the people of Arizona ... enough to always tell you the truth.

I am committed to an Arizona revival equal to her spirit -- equal to the promise of her second century.

I am committed to a government that is limited in scope but unrestrained in its goodness. That is what is expected of all of us.

And, that is exactly what we will do ... Together.

Thank you, may God bless you and your families, and may God bless Arizona.